



**DEPARTMENT OF AGRICULTURE**

**Agricultural Marketing Service**

**7 CFR Part 958**

**[Doc. No. AMS-FV-15-0027; FV15-958-1 FIR]**

**Onions Grown in Certain Designated Counties in Idaho, and  
Malheur County, Oregon; Decreased Assessment Rate**

**AGENCY:** Agricultural Marketing Service, USDA.

**ACTION:** Affirmation of interim rule as final rule.

**SUMMARY:** The Department of Agriculture (USDA) is adopting, as a final rule, without change, an interim rule that implemented a recommendation from the Idaho-Eastern Oregon Onion Committee (Committee) to decrease the assessment rate established for the 2015-2016 and subsequent fiscal periods from \$0.10 to \$0.05 per hundredweight of onions handled under the Idaho-Eastern Oregon onion marketing order (order). The Committee locally administers the order and is comprised of producers and handlers of onions operating within the area of production. Assessments upon onion handlers are used by the Committee to fund reasonable and necessary expenses of the program. The fiscal period begins July 1 and ends June 30. The assessment rate will remain in effect indefinitely unless modified, suspended, or terminated.

**DATES:** Effective [INSERT DATE 1 DAY AFTER THE DATE OF PUBLICATION IN THE FEDERAL REGISTER].

**FOR FURTHER INFORMATION CONTACT:** Sue Coleman, Marketing Specialist, or Gary D. Olson, Regional Director, Northwest Marketing Field Office, Marketing Order and Agreement Division, Specialty Crops Program, AMS, USDA; Telephone: (503) 326-2724, Fax: (503) 326-7440, or E-mail: Sue.Coleman@ams.usda.gov or GaryD.Olson@ams.usda.gov.

Small businesses may obtain information on complying with this and other marketing order and agreement regulations by viewing a guide at the following website: <http://www.ams.usda.gov/rules-regulations/moa/small-businesses>; or by contacting Jeffrey Smutny, Marketing Order and Agreement Division, Specialty Crops Program, AMS, USDA, 1400 Independence Avenue SW, STOP 0237, Washington, DC 20250-0237; Telephone: (202) 720-2491, Fax: (202) 720-8938, or E-mail: Jeffrey.Smutny@ams.usda.gov.

**SUPPLEMENTARY INFORMATION:** This rule is issued under Marketing Agreement No. 130 and Order No. 958, both as amended (7 CFR part 958), regulating the handling of onions grown in designated counties in Idaho, and Malheur County, Oregon, hereinafter referred to as the "order." The order is effective under the Agricultural Marketing Agreement Act

of 1937, as amended (7 U.S.C. 601-674), hereinafter referred to as the "Act."

The Department of Agriculture (USDA) is issuing this rule in conformance with Executive Orders 12866, 13563, and 13175.

Under the order, Idaho-Eastern Oregon onion handlers are subject to assessments, which provide funds to administer the order. Assessment rates issued under the order are intended to be applicable to all assessable onions for the entire crop year, and continue indefinitely until amended, suspended, or terminated. The Committee's fiscal period begins on July 1, and ends on June 30.

In an interim rule published in the **Federal Register** on August 19, 2015, and effective on August 20, 2015 (80 FR 50193, Doc. No. AMS-FV-15-0027, FV15-958-1 IR) § 958.240 was amended by decreasing the assessment rate established for Idaho-Eastern Oregon onions for the 2015-2016 and subsequent fiscal periods from \$0.10 to \$0.05 per hundredweight of onions. The decrease in the assessment rate takes into account budget reductions in the Committee's promotion program while still providing adequate funding to meet program expenses.

## **Final Regulatory Flexibility Analysis**

Pursuant to requirements set forth in the Regulatory Flexibility Act (RFA) (5 U.S.C. 601-612), the Agricultural Marketing Service (AMS) has considered the economic impact of this rule on small entities. Accordingly, AMS has prepared this final regulatory flexibility analysis.

The purpose of the RFA is to fit regulatory actions to the scale of businesses subject to such actions in order that small businesses will not be unduly or disproportionately burdened. Marketing orders issued pursuant to the Act, and the rules issued thereunder, are unique in that they are brought about through group action of essentially small entities acting on their own behalf.

There are approximately 250 producers of onions in the production area and approximately 31 handlers subject to regulation under the marketing order. Small agricultural producers are defined by the Small Business Administration as those having annual receipts less than \$750,000, and small agricultural service firms are defined as those whose annual receipts are less than \$7,000,000 (13 CFR 121.201).

According to the National Agricultural Statistics Service, as reported in the *Vegetables 2014 Summary*, the total freight on board (f.o.b.) value of onions in the regulated production area for 2014 was \$100,951,000. Based

on an industry estimate of 31 handlers, the average value of onions handled per handler is \$3,256,484, well below the SBA threshold for defining small agricultural service firms. In addition, based on an industry estimate of 250 producers, the average f.o.b. value of onions produced in the production area is \$403,804 per producer. Therefore, it can be concluded that the majority of handlers and producers of Idaho-Eastern Oregon onions may be classified as small entities.

This rule continues the action that decreased the assessment rate established for the Committee and collected from handlers for the 2015-2016 and subsequent fiscal periods from \$0.10 to \$0.05 per hundredweight of onions handled. The Committee recommended 2015-2016 expenditures of \$705,473 and an assessment rate of \$0.05 per hundredweight. The assessment rate of \$0.05 is \$0.05 lower than the 2014-2015 rate. The quantity of assessable onions for the 2015-2016 fiscal period is estimated at 8,800,000 hundredweight. Thus, the \$0.05 rate should provide \$440,000 in assessment income. Assessment income, along with interest and other income, contributions and grants, and funds from the Committee's authorized reserve, \$217,223, should be adequate to cover budgeted expenses of \$705,473.

This rule continues in effect the action that decreased the assessment obligation imposed on handlers. Assessments are applied uniformly on all handlers, and some of the costs may be passed on to producers. However, decreasing the assessment rate reduces the burden on handlers, and may reduce the burden on producers.

In addition, the Committee's meeting was widely publicized throughout the Idaho-Eastern Oregon onion industry and all interested persons were invited to attend the meeting and participate in Committee deliberations on all issues. Like all Committee meetings, the April 21, 2015, meeting was a public meeting and all entities, both large and small, were able to express views on this issue.

#### **Paperwork Reduction Act**

In accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. Chapter 35), the order's information collection requirements have been previously approved by the Office of Management and Budget (OMB) and assigned OMB No. 0581-0178, Vegetable and Specialty Crops. No changes in those requirements as a result of this action are necessary. Should any changes become necessary, they would be submitted to OMB for approval.

This action imposes no additional reporting or recordkeeping requirements on either small or large Idaho-

Eastern Oregon onion handlers. As with all Federal marketing order programs, reports and forms are periodically reviewed to reduce information requirements and duplication by industry and public sector agencies.

USDA has not identified any relevant Federal rules that duplicate, overlap, or conflict with this rule.

Comments on the interim rule were required to be received on or before October 19, 2015. No comments were received. Therefore, for the reasons given in the interim rule, we are adopting the interim rule as a final rule, without change.

To view the interim rule, go to:

<http://www.regulations.gov/#!documentDetail;D=AMS-FV-15-0027-0001>.

This action also affirms information contained in the interim rule concerning Executive Orders 12866, 12988, 13175, and 13563; the Paperwork Reduction Act (44 U.S.C. Chapter 35); and the E-Gov Act (44 U.S.C. 101).

After consideration of all relevant material presented, it is found that finalizing the interim rule, as published in the **Federal Register** (80 FR 50193, August 19, 2015) will tend to effectuate the declared policy of the Act.

**List of Subjects in 7 CFR Part 958**

Marketing agreements, Onions, Reporting and recordkeeping requirements.

Accordingly, the interim rule amending 7 CFR part 958, which was published at 80 FR 50193 on August 19, 2015, is adopted as final without change.

Dated: December 1, 2015

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Rex A. Barnes  
Associate Administrator  
Agricultural Marketing Service  
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